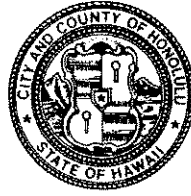


DEPARTMENT OF BUDGET AND FISCAL SERVICES  
**CITY AND COUNTY OF HONOLULU**  
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813  
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

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MARY PATRICIA WATERHOUSE  
DIRECTOR

April 1, 2008

The Honorable Todd K. Apo, Chair  
and Members of the Budget Committee  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

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CITY COUNCIL  
HONOLULU, HAWAII

Dear Chair Apo and Councilmembers:

Although we support initiatives that promote renewable energy technologies, we have concerns regarding Bill 85 (2007). A \$300 tax credit would not be a motivating factor for real property owners to install solar water heater and there are some administrative challenges to have the program. Based on HECO's estimate of 2000 credits a year it would be an outlay of \$600,000 for the city, before administration costs.

Thank you for the opportunity to testify on this Bill. Please call me at 768-3901, if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "MP Waterhouse".

Mary Pat Waterhouse, Director  
Department of Budget and Fiscal Services

MPW

APPROVED:

A handwritten signature in cursive script, reading "Wayne M. Hashiro".

Wayne M. Hashiro, P.E.  
Managing Director